

Government enabled the construction of the Canadian Pacific road, could the means have been forthcoming for the construction of blast furnaces and steel plants and mills for the production of steel rails. Steel rails were a national necessity quite as much as the railroad, and while the one was being provided for the other should not have been neglected. If it had been demanded by the Government as imperatively necessary, the projectors of the railroad would willingly have included a steel rail plant in their proposed equipment. This would not have necessarily retarded the construction of the road, for until the rail plant was in operation the demand for rails might have been supplied from abroad. It would not have been necessary to send out prospectors to search for ore deposits, for the existence of many of those we now have was well known at that time. The work of developing them would have been gone on with, and the ore in sufficient quantities would have been ready for the furnaces as soon as they could have been built. While the iron mines were being developed and the blast furnaces being built, one or more steel plants would have been in process of erection; and by the time the Bessemer converters were ready to be charged the pig iron would have been ready to charge into them, while at the same time the necessary rail mills would have been ready to roll the rails. Money could have effected these things, and the necessary money could have been had for that purpose quite as readily as for the construction of the road. With the iron mining industry thus developed, and steel plants in operation, the demand for mild steel would have been so large that if the converters used in making steel for rails were not of sufficient capacity to meet the requirement for other purposes, such as the manufacture of bridge plates, eye bars, truss beams, etc., others would have been erected, and so the demand not only for steel rails but for all other forms of mild steel would, in a very few years, have been supplied from Canadian sources.

It would be difficult to imagine what a happy effect this would have had upon the industrial progress of Canada. There are, at this time, more than 2,000,000 tons of steel rails in use in railroads in this country, not to mention the quantity of steel consumed in the bridges on the lines of those roads, and the thousands of tons of rails that have been worn out in service. If all this steel had been made in Canada, the untold millions of dollars that went abroad to pay for it would have been kept at home to pay the thousands of men who would have found employment in the mines, taking out the ore; at the blast furnaces in making that ore into iron; at the converters in changing the iron into steel; and at the mills, in manufacturing the steel into rails and other forms. It would have given the railroads all the additional employment which the industry would have supplied, and work to thousands of more men working in connection with the railroads. These are some of the benefits which the country would have derived from the establishment of plants for the production of steel rails at the time when the railroad-building policy of the Government was being put into effect.

Railroad-building in Canada is not being pushed as vigorously now as it was some years ago, but still our imports of rails average over 100,000 tons per year, and within the last twenty years we have imported considerably over 2,000,000 tons. Suppose that twenty years ago a duty of \$10 per ton had been imposed on rails, at the average rate of import this

would have produced a revenue of \$1,000,000 per year. If that sum per year had been appropriated to the development of the mining industry, the building of blast furnaces, and the construction of steel plants and rail mills, in ten years Canada would have been as thoroughly equipped with these necessary adjuncts to prosperity and civilization as the United States. Within that ten years it would have become unnecessary for us to send abroad for steel rails or any other forms of mild steel necessary in railroad building or equipment. But that would not have been all. Our imports of pig iron would have been stopped, because we would have been supplying our requirements from our own furnaces. Our imports of bar iron would have ceased because all such iron would have been made at home. So too, as regards boiler plates, bridge plates, eye bars, truss beams, etc.—all such things would have been produced in Canada.

It is not too late yet to produce such a condition. It can be done in the way indicated. No doubt the railroads would object to a duty of \$10 per ton on rails, but as is shown in the report of the Canadian Pacific Company above alluded to, that company at least, is in remarkably good position to stand it. With a proposed expenditure of \$8,000,000 out of the surplus earnings of one year, perhaps the company might see their way clear to devote a necessary amount towards the erection of a rail plant of their own. But whether they do this or not, the effort should be made by the Government to establish the industry. If a million dollars a year were collected from a duty on rails, a bonus of \$5 per ton might be offered for such rails as might be made in Canada for a term of years. But whatever the details might be, the duty should be imposed and the proceeds appropriated for the encouragement of the establishment of the steel rail industry in Canada.

DIVERSIFICATION OF EMPLOYMENT.

By a series of errors woven into a theory men are made to believe that it would be to their advantage to produce everything they require within their own political boundary, and abstain from exchanging their products with people outside that imaginary line. The idea is not so frequent with regard to small municipalities, for the situation is more obvious, and common sense takes the place of theoretical philosophy. Yet occasionally councils of corporations show a trace of it by paying higher prices to local firms than is warranted by market conditions. It is almost impossible to find anyone believing that it would be beneficial for one individual or one family to produce everything required without exchanging with others, although that position would be quite as logical as the confining of trade within a political boundary in hope of gain.—*Toronto Globe.*

The sophistry of this is apparent. It may be true that it might not be to the advantage of men to produce everything they require within their own political or other boundary; but the truth should consist in the fact of the inability of men thus to produce. This would consist in, first, the physical inability to accomplish more than human endurance will countenance, and, second, in the inability of the surroundings. Thus, if a farmer's entire attention is required in the cultivation of his crop of wheat, he would not have the physical ability to navigate a ship at the same time; and if the farmer's land was not adapted to the cultivation of wheat, no matter what amount of skill he might be endowed with, the inability of his surroundings would render it impossible for